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Statement on Questar "Green Sticker" Program

The Utah Department of Commerce's, Division of Public Utilities has received many inquiries concerning Questar Gas' "Green Sticker" program. In an effort to alleviate public concern and confusion the Division of Public Utilities has issued the following statement:

The "green sticker" program was initiated by Questar Gas to inform customers about the need to have natural gas furnaces and water heaters adjusted in the next several years. Appliances that will not be replaced in the next several years will eventually need to be adjusted to safely burn the changing natural gas being delivered in our area. The "green sticker" on an appliance is to serve as evidence that the adjustments have been made.

The heat content (measured in British Thermal Units or BTU's) of the natural gas being delivered in our area has been gradually declining. This decline accelerated in 1999 because of the production of relatively lower BTU gas from coal bed fields near Price, Utah. This gas enters Questar's Pipeline under the federal open access policy. Questar Pipeline is an affiliate of Questar Gas that is regulated by a federal agency. In the past, the pipeline could receive low BTU gas and mix it with high BTU sources to avoid creating a problem. The large volumes and location of the coal bed gas prevents doing this. The resulting lower BTU content of the gas delivered from the pipeline to Questar Gas could result in safety problems in unadjusted appliances.

In June of 1999 Questar Gas began having the Price area gas processed before it enters the pipeline so that the BTU content delivered to its service area would be acceptable for all appliances and therefore alleviate the problem. This processing removes some of the CO2 (carbon dioxide) that naturally occurs in the gas. Since the CO2 removed has no BTU content, the remaining gas's BTU content is increased, thus solving the appliance problem. However, the processing plant only takes care of the Price area gas. Coal bed gas discovered in other areas could enter the pipeline. Producers are also stripping more BTU's out of the gas stream in the form of products such as propane.

Because of these trends, it appears that a processing plant on only one source will not solve the problem indefinitely. This processing is intended to be a temporary fix that allows an approximate ten year transition period for customers to get their appliances adjusted unless they will be replaced with new properly set appliances.

Since the gas processing provides a several year transition period, there is no current emergency. Questar Gas has recently been taking steps to reassure customers that the gas in their homes is safe for use in all appliances. Questar Gas is also reminding customers that there is no need to have their appliances checked immediately. Questar Gas recommends that customers have the inspections and necessary adjustments done as part of a routine, periodic seasonal equipment check some time in the next few years.

Some have questioned whether Questar Gas or customers should pay for the appliance adjustments. Even if Questar Gas were to pay for the adjustments, they would seek recovery through higher rates to customers. The Division of Public Utilities is currently investigating this and other aspects of the "green sticker" program and expects to make a recommendation in the near future to the Public Service Commission.

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